

108TH CONGRESS  
2D SESSION

# H. R. 4936

To amend title XXI of the Social Security Act to modify the rules relating to the availability and method of redistribution of unexpended SCHIP allotments, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2004

Mr. DINGELL (for himself and Mr. BARTON of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce

---

## A BILL

To amend title XXI of the Social Security Act to modify the rules relating to the availability and method of redistribution of unexpended SCHIP allotments, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Children’s Health Pro-  
5       tection and Improvement Act of 2004”.

1 **SEC. 2. CHANGES TO RULES FOR REDISTRIBUTION AND EX-**  
2 **TENDED AVAILABILITY OF 1998 THROUGH**  
3 **2004 SCHIP ALLOTMENTS.**

4 Section 2104(g) of the Social Security Act (42 U.S.C.  
5 1397dd(g)), as amended by Public Law 108–74 (117 Stat.  
6 892), is amended—

7 (1) in the subsection heading by striking “,  
8 1999, 2000, and 2001” and inserting “Through  
9 2004”; and

10 (2) in paragraph (1)—

11 (A) in subparagraph (A)—

12 (i) in the matter preceding clause

13 (i)—

14 (I) by inserting “or for fiscal  
15 year 2002 by the end of fiscal year  
16 2004, or for fiscal year 2003 by the  
17 end of fiscal year 2005, or for fiscal  
18 year 2004 by the end of fiscal year  
19 2006,” after “fiscal year 2003,”; and

20 (II) by striking “or 2001” and  
21 inserting “2001, 2002, 2003, or  
22 2004”;

23 (ii) in clause (i)—

24 (I) in subclause (III), by striking  
25 “or” at the end;

1 (II) in subclause (IV), by striking  
2 the period at the end and inserting a  
3 semicolon; and

4 (III) by adding at the end the  
5 following:

6 “(V) the fiscal year 2002 allot-  
7 ment, the amount specified in sub-  
8 paragraph (E)(i) (less the total of the  
9 amounts under clause (ii) for such fis-  
10 cal year), multiplied by the ratio of  
11 the amount specified in subparagraph  
12 (E)(ii) for the State to the amount  
13 specified in subparagraph (E)(iii);

14 “(VI) the fiscal year 2003 allot-  
15 ment, the amount specified in sub-  
16 paragraph (F)(i) (less the total of the  
17 amounts under clause (ii) for such fis-  
18 cal year), multiplied by the ratio of  
19 the amount specified in subparagraph  
20 (F)(ii) for the State to the amount  
21 specified in subparagraph (F)(iii); or

22 “(VII) the fiscal year 2004 allot-  
23 ment, the amount specified in sub-  
24 paragraph (G)(i) (less the total of the  
25 amounts under clause (ii) for such fis-

1 cal year), multiplied by the ratio of  
 2 the amount specified in subparagraph  
 3 (G)(ii) for the State to the amount  
 4 specified in subparagraph (G)(iii).”;  
 5 and

6 (iii) in clause (ii), by striking “or  
 7 2001” and inserting “2001, 2002, 2003,  
 8 or 2004”;

9 (B) in subparagraph (B)—

10 (i) in clause (ii), by inserting “but  
 11 subject to paragraph (4)” after “sub-  
 12 section (e)”;

13 (ii) in clause (iii)—

14 (I) by inserting “but subject to  
 15 paragraph (4)” after “subsection (e)”;  
 16 and

17 (II) by striking “and” at the end;

18 (iii) by redesignating clause (iv) as  
 19 clause (vii); and

20 (iv) by inserting after clause (iii), the  
 21 following:

22 “(iv) notwithstanding subsection (e)  
 23 but subject to paragraph (4), with respect  
 24 to fiscal year 2002, shall remain available

1 for expenditure by the State through the  
2 end of fiscal year 2006;

3 “(v) notwithstanding subsection (e),  
4 with respect to fiscal year 2003, shall re-  
5 main available for expenditure by the State  
6 through the end of fiscal year 2007; and

7 “(vi) with respect to fiscal year 2004,  
8 subsection (e) shall apply; and”; and

9 (C) by adding at the end the following:

10 “(E) AMOUNTS USED IN COMPUTING RE-  
11 DISTRIBUTIONS FOR FISCAL YEAR 2002.—For  
12 purposes of subparagraph (A)(i)(V)—

13 “(i) the amount specified in this  
14 clause is the amount specified in para-  
15 graph (2)(B)(i)(I) for fiscal year 2002, less  
16 the total amount remaining available pur-  
17 suant to paragraph (2)(A)(v);

18 “(ii) the amount specified in this  
19 clause for a State is the amount by which  
20 the State’s expenditures under this title in  
21 fiscal years 2002, 2003, and 2004 exceed  
22 the State’s allotment for fiscal year 2002  
23 under subsection (b); and

24 “(iii) the amount specified in this  
25 clause is the sum, for all States entitled to

1 a redistribution under subparagraph (A)  
2 from the allotments for fiscal year 2002, of  
3 the amounts specified in clause (ii).

4 “(F) AMOUNTS USED IN COMPUTING RE-  
5 DISTRIBUTIONS FOR FISCAL YEAR 2003.—For  
6 purposes of subparagraph (A)(i)(VI)—

7 “(i) the amount specified in this  
8 clause is the amount specified in para-  
9 graph (2)(B)(i)(I) for fiscal year 2003, less  
10 the total amount remaining available pur-  
11 suant to paragraph (2)(A)(vi);

12 “(ii) the amount specified in this  
13 clause for a State is the amount by which  
14 the State’s expenditures under this title in  
15 fiscal years 2003, 2004, and 2005 exceed  
16 the State’s allotment for fiscal year 2003  
17 under subsection (b); and

18 “(iii) the amount specified in this  
19 clause is the sum, for all States entitled to  
20 a redistribution under subparagraph (A)  
21 from the allotments for fiscal year 2003, of  
22 the amounts specified in clause (ii).

23 “(G) AMOUNTS USED IN COMPUTING RE-  
24 DISTRIBUTIONS FOR FISCAL YEAR 2004.—For  
25 purposes of subparagraph (A)(i)(VII)—

1 “(i) the amount specified in this  
 2 clause is the amount specified in para-  
 3 graph (2)(B)(i)(I) for fiscal year 2004, less  
 4 the total amount remaining available pur-  
 5 suant to paragraph (2)(A)(vii);

6 “(ii) the amount specified in this  
 7 clause for a State is the amount by which  
 8 the State’s expenditures under this title in  
 9 fiscal years 2004, 2005, and 2006 exceed  
 10 the State’s allotment for fiscal year 2004  
 11 under subsection (b); and

12 “(iii) the amount specified in this  
 13 clause is the sum, for all States entitled to  
 14 a redistribution under subparagraph (A)  
 15 from the allotments for fiscal year 2004, of  
 16 the amounts specified in clause (ii).”;

17 (3) in paragraph (2)—

18 (A) in the paragraph heading by striking  
 19 “2001” and inserting “2004”; and

20 (B) in subparagraph (A)—

21 (i) in clause (i), by striking “Of” and  
 22 inserting “Subject to paragraph (4), of”;

23 (ii) in clause (ii), by striking “Of”  
 24 and inserting “Subject to paragraph (4),  
 25 of”;

1 (iii) in clause (iii), by striking “Of”  
2 and inserting “Subject to paragraph (4),  
3 of”;

4 (iv) in clause (iv), by striking “Of”  
5 and inserting “Subject to paragraph (4),  
6 of”; and

7 (v) by adding at the end the following:

8 “(v) FISCAL YEAR 2002 ALLOT-  
9 MENT.—Subject to paragraph (4), of the  
10 amounts allotted to a State pursuant to  
11 this section for fiscal year 2002 that were  
12 not expended by the State by the end of  
13 fiscal year 2004, 50 percent of that  
14 amount shall remain available for expendi-  
15 ture by the State through the end of fiscal  
16 year 2006.

17 “(vi) FISCAL YEAR 2003 ALLOT-  
18 MENT.—Of the amounts allotted to a State  
19 pursuant to this section for fiscal year  
20 2001 that were not expended by the State  
21 by the end of fiscal year 2005, 50 percent  
22 of that amount shall remain available for  
23 expenditure by the State through the end  
24 of fiscal year 2007.

1                   “(vii) FISCAL YEAR 2004 ALLOT-  
 2                   MENT.—Of the amounts allotted to a State  
 3                   pursuant to this section for fiscal year  
 4                   2004 that were not expended by the State  
 5                   by the end of fiscal year 2006, 50 percent  
 6                   of that amount shall remain available for  
 7                   expenditure by the State through the end  
 8                   of fiscal year 2007.”;

9                   (4) in paragraph (3)—

10                   (A) by striking “or fiscal year 2001” and  
 11                   inserting “fiscal year 2001, fiscal year 2002,  
 12                   fiscal year 2003, or fiscal year 2004,”; and

13                   (B) by striking “or November 30, 2003,”  
 14                   and inserting “November 30, 2003, November  
 15                   30, 2004, November 30, 2005, or November 30,  
 16                   2006,”; and

17                   (5) by adding at the end the following:

18                   “(4) ADDITIONAL EXTENDED AVAILABILITY OF  
 19                   FISCAL YEARS 1998 THROUGH 2002 ALLOTMENTS.—

20                   “(A) FISCAL YEAR 1998, 1999, AND 2000 AL-  
 21                   LOTMENTS.—With respect to any amounts al-  
 22                   lotted to a State pursuant to this section for  
 23                   fiscal years 1998, 1999, or 2000 that were re-  
 24                   distributed to a State under paragraph (1), or  
 25                   whose availability to a State was extended

1 through the end of fiscal year 2004 under para-  
2 graph (2), that were not expended by the State  
3 by the end of fiscal year 2004, the following  
4 rules shall apply:

5 “(i) 30 percent of such amounts shall  
6 remain available for expenditure by the  
7 State through the end of fiscal year 2007.

8 “(ii) The remainder of such amounts  
9 shall be redistributed to States that have  
10 fully expended the amount of their fiscal  
11 year 2002 allotments under this section in  
12 the same ratio as unexpended fiscal year  
13 2002 allotments are redistributed under  
14 paragraph (1)(A)(i)(V) to such States and  
15 the amounts redistributed under this  
16 clause shall remain available for expendi-  
17 ture through the end of fiscal year 2007.

18 “(B) FISCAL YEAR 2001 ALLOTMENTS.—

19 With respect to any amounts allotted to a State  
20 pursuant to this section for fiscal year 2001  
21 that were redistributed to a State under para-  
22 graph (1), or whose availability to a State was  
23 extended through the end of fiscal year 2005  
24 under paragraph (2), that were not expended by

1 the State by the end of fiscal year 2005, the  
2 following rules shall apply:

3 “(i) 30 percent of such amounts shall  
4 remain available for expenditure by the  
5 State through the end of fiscal year 2007.

6 “(ii) The remainder of such amounts  
7 shall be redistributed to States that have  
8 fully expended the amount of their fiscal  
9 year 2003 allotments in the same ratio as  
10 unexpended fiscal year 2003 allotments are  
11 redistributed under paragraph  
12 (1)(A)(i)(VI) to such States and the  
13 amounts redistributed under this clause  
14 shall remain available for expenditure  
15 through the end of fiscal year 2007.

16 “(C) FISCAL YEAR 2002 ALLOTMENTS.—  
17 With respect to any amounts allotted to a State  
18 pursuant to this section for fiscal year 2002  
19 that were redistributed to a State under para-  
20 graph (1), or whose availability to a State was  
21 extended through the end of fiscal year 2006  
22 under paragraph (2), that were not expended by  
23 the State by the end of such fiscal year, the fol-  
24 lowing rules shall apply:

1 “(i) 30 percent of those amounts shall  
2 remain available for expenditure by the  
3 State through the end of fiscal year 2007.

4 “(ii) The remainder of such amounts  
5 shall be redistributed to States that have  
6 fully expended the amount of their fiscal  
7 year 2004 allotments in the same ratio as  
8 unexpended fiscal year 2004 allotments are  
9 redistributed under paragraph  
10 (1)(A)(i)(VII) to such States and the  
11 amounts redistributed under this clause  
12 shall remain available for expenditure  
13 through the end of fiscal year 2007.”.

14 **SEC. 3. CONTINUED AUTHORITY FOR QUALIFYING STATES**  
15 **TO USE CERTAIN FUNDS FOR MEDICAID EX-**  
16 **PENDITURES.**

17 Section 2105(g)(1)(A) of the Social Security Act (42  
18 U.S.C. 1397ee(g)(1)(A)), as added by Public Law 108–  
19 74 (117 Stat. 895) and amended by Public Law 108–127  
20 (117 Stat. 134), is amended by striking “or 2001” and  
21 inserting “2001, 2002, 2003 or 2004”.

○